

HOUSE BILL 271

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Q4  
HB 1053/03 - W&M

2004 Regular Session  
4r0681

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By: **Delegates Hixson, C. Davis, Gordon, Healey, Howard, and Patterson**  
Introduced and read first time: January 26, 2004  
Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Rate**

3 FOR the purpose of altering the rate of the sales and use tax; and generally relating  
4 to altering the rate of the sales and use tax.

5 BY repealing and reenacting, with amendments,  
6 Article - Tax - General  
7 Section 11-104(a) and (b) and 11-301  
8 Annotated Code of Maryland  
9 (1997 Replacement Volume and 2003 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article - Tax - General**

13 11-104.

14 (a) Except as otherwise provided in this section, the sales and use tax rate is:

15 (1) for a taxable price of less than \$1:

16 (i) 1 cent if the taxable price is 20 cents; [and]

17 (ii) [1 cent for each additional 20 cents or part of 20 cents] 2 CENTS  
18 IF THE TAXABLE PRICE IS AT LEAST 21 CENTS BUT LESS THAN 34 CENTS; [and]

19 (III) 3 CENTS IF THE TAXABLE PRICE IS AT LEAST 34 CENTS BUT  
20 LESS THAN 51 CENTS;

21 (IV) 4 CENTS IF THE TAXABLE PRICE IS AT LEAST 51 CENTS BUT  
22 LESS THAN 67 CENTS;

23 (V) 5 CENTS IF THE TAXABLE PRICE IS AT LEAST 67 CENTS BUT  
24 LESS THAN 84 CENTS; AND

1 (VI) 6 CENTS IF THE TAXABLE PRICE IS AT LEAST 84 CENTS; AND

2 (2) for a taxable price of \$1 or more:

3 (i) [5] 6 cents for each exact dollar; and

4 (ii) [1 cent for each 20 cents or part of 20 cents] FOR THAT PART OF  
5 A DOLLAR in excess of an exact dollar:

6 1. 1 CENT IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
7 LEAST 1 CENT BUT LESS THAN 17 CENTS;

8 2. 2 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
9 LEAST 17 CENTS BUT LESS THAN 34 CENTS;

10 3. 3 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
11 LEAST 34 CENTS BUT LESS THAN 51 CENTS;

12 4. 4 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
13 LEAST 51 CENTS BUT LESS THAN 67 CENTS;

14 5. 5 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
15 LEAST 67 CENTS BUT LESS THAN 84 CENTS; AND

16 6. 6 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
17 LEAST 84 CENTS.

18 (b) If a retail sale of tangible personal property or a taxable service is made  
19 through a vending or other self-service machine, the sales and use tax rate is [5%]  
20 6%, applied to [95.25%] 94.5% of the gross receipts from the vending machine sales.

21 11-301.

22 The sales and use tax is computed on:

23 (1) the taxable price of each separate sale;

24 (2) if a combined sale is made, the combined taxable price of all retail  
25 sales on the same occasion by the same vendor to the same buyer; or

26 (3) if retail sales of tangible personal property or a taxable service are  
27 made through vending or other self-service machines, [95.25%] 94.5% of the gross  
28 receipts from the retail sales.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
30 July 1, 2004.